Leadership & Management

Reading for Lesson 21:
COUNSELING

Lesson 21
Reading Objectives

1. The student will comprehend the goals of performance appraisal.
2. The student will comprehend problems in performance appraisal.
3. The student will comprehend potential solutions to appraisal problems.
4. The student will comprehend and demonstrate the four methods of the appraisal interview.

Lesson 21
Discussion Objectives

1. The student will comprehend the goals of performance appraisal.
2. The student will comprehend and demonstrate the four methods of the appraisal interview.

Performance Appraisal

- Performance evaluating system
  - Aids the subordinate in setting new goals, fixing problems, and keeping him/her on track
  - Helps the organization achieve success
- Performance appraisal is both a system of papers and procedures designed by the organization for use by its managers and subordinates
  - An interpersonal process in which manager and subordinate communicate and attempt to influence each other

Goals of Performance Appraisal

- The Organizational Goals:
  - Performance evaluation is an important element in the information and control system of most complex organizations
  - Supreme goal of the organization is to influence the behavior and work ethic of the work force through performance evaluation

Goals of Performance Appraisal

- The Organizational Goals (continued):
  - Provides information about the performance of organizational members for use in decisions about placement, promotion, firing, pay
  - From the organizational viewpoint, performance appraisal serves two sets of goals:
    - Evaluation Goals
    - Coaching and Development Goals

Goals of Performance Appraisal

- Evaluation Goals:
  - Provides feedback to subordinates so they know where they stand
  - Develops valid data for pay (salary and bonus) and promotion decisions and to provide a means of communicating these decisions
  - Helps the company in making discharge and retention decisions, and provides warning to subordinates about unsatisfactory performance

Goals of Performance Appraisal

- Coaching and Development Goals:
  - To counsel and coach subordinates so they will improve performance and develop future potential
  - Develop commitment to the larger organization through discussion of career opportunities and career planning
  - Motivate subordinates through recognition and respect
  - Strengthen supervisor-subordinate relations
  - Diagnose individual and organizational problems

Goals of Performance Appraisal

- The Individual's Goals:
  - Performance evaluations provide the individual with an opportunity to see how well he or she is doing
  - Regardless of their performance to date, individuals going through a performance evaluation should always set new goals

Goals of Performance Appraisal

- Conflicting Individual and Organizational Goals:
  - If individual goals conflict with organizational goals, the organization must attempt to find ways to satisfy both without neglecting either one
  - Feedback from both the organization and the individual is a must

Problems in Performance Appraisal

- Ambivalence and Avoidance:
  - Leaders should not shy away from the performance appraisal process
    - Fearful that honest feedback will cause animosity within the organization, some leaders neglect their performance appraisal responsibilities
    - This is detrimental for the organization; the individual cannot improve if he or she does not know what is wrong

Problems in Performance Appraisal

- Feedback and Defensiveness:
  - To prevent defensiveness, the organization must not focus solely on an individual's problems or shortcomings
    - The organization must both judge the individual's performance, and help to improve it
    - It is difficult for the evaluator to develop open two-ended exchange, if her or she focuses solely on negative attributes

Problems in Performance Appraisal

- Avoidance and Defensiveness Combined:
  - If an evaluator focuses solely on an individual's problems and avoids any detail, the performance appraisal accomplishes nothing worthwhile
    - It only increases the individual's defensiveness

Potential Solutions to Appraisal Problems

- The central dilemma in the appraisal process is how to have an open discussion of performance that meets the need for feedback without damaging the individual's self-esteem?

Potential Solutions to Appraisal Problems

- The Appraisal System:
  - Uncoupling evaluation and development
    - Less defensiveness and more open dialogue helps the manager to separate his role as helper and judge
  - Choosing appropriate performance data
    - Rather than focusing on broad problem areas, such as motivation, the manager should focus on specific examples, for they are morel likely to be heard

Potential Solutions to Appraisal Problems

- The Appraisal System (continued):
  - Upward appraisal
    - In order to reduce defensiveness among subordinates, supervisors giving performance appraisals should also allow the subordinates to appraise them on their performance
  - Eliminating the performance appraisal system
    - By eliminating the formal appraisal system and only requiring performance appraisals during special situations, organizations could reduce the problems of defensiveness

Potential Solutions to Appraisal Problems

- Supervisor-Subordinate Relations
  - The day-to-day boss-subordinate relationship has an important impact on the appraisal process
    - If the boss-subordinate relationship is strong, the appraisal process will run more smoothly

Potential Solutions to Appraisal Problems

- The Appraisal Interview
  - The tell-and-sell method
    - Communicates to employees their performance as accurately and directly as possible with little return feedback, but can lead to defensiveness
  - The tell-and-listen interview
    - Communicates to employees their strengths and weaknesses, but also allows for return feedback
      - This creates an environment that is less defensive and stressful to the employee

Potential Solutions to Appraisal Problems

- The Appraisal Interview (continued):
  - The problem-solving interview
    - Playing the role of helper more so than judge, the manager creates an environment through which the employee can discover his or her own developmental needs
  - The mixed-model interview
    - Allows for the problem solving interview in the beginning, where the subordinate leads off, and finishes with the tell-and-sell or tell-and-listen approaches if the subordinate has missed some important areas of his or her performance

Tentative Process

- Tentative Process:
  - Scheduling
  - Agreeing on content
  - Agreeing on process
  - Location and space
  - Opening the interview
  - Starting the discussion
  - Exchanging feedback
  - The manager’s views
  - Developing a plan for improvement
  - Closing the discussion

Guidelines for Assessing the Effectiveness of an Interview

- At the beginning:
  - Did the supervisor create an open and accepting climate?
  - Was there agreement on the purpose and process for the interview?
  - Were both parties equally well prepared?

Guidelines for Assessing the Effectiveness of an Interview

- During the interview:
  - To what extent did the supervisor really try to understand the employee?
  - Were broad and general questions used at the outset?
  - Was the supervisor's feedback clear and specific?
  - Did the supervisor learn some new things—particularly about deep feelings and values of the subordinate?
  - Did the subordinate disagree and confront the supervisor?
  - Did the interview end with mutual agreement and understanding about problems and goals for improvement?

Appraisal Outcome

- Did the appraisal session motivate the subordinate?
- Did the appraisal build a better relationship?
- Did the subordinate come out with a clear idea of where he or she stands?
- Did the supervisor arrive at a fairer assessment of the subordinate?
- Did he or she learn something new about the subordinate?
- Did the subordinate learn something new about the supervisor and the pressures be or she faces?
- Does the subordinate have a clear idea of what actions to take to improve performance?